of electronic infrastructure and other IT applications to face the emerging challenges of trade liberalisation. A Comprehensive policy package for the development of SSIs has been announced on 30th August, 2000. The policy package will enhance the competitiveness of SSIs through easier access to credit, availability of collateral free composite loan upto Rs. 25 lakhs, capital subsidy for technology upgradation and improved infrastructure.

Employment Generation in Khadi Industry

3497. DR. Y. LAKSHMI PRASAD: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether more employment has been generated/created in the Khadi Industry since 1997;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) No, Sir.

(b) Does not arise.

(c) The reasons, *inter-alia,* for marginal decline in employment under Khadi sector since 1997-98, are need for better designs, greater compatibility with consumer demand and improved marketing.

Non-Payment of Annual Working Capital to Khadi Institutions

3498. DR. Y. LAKSHMI PRASAD: Will the Minister of SMALL SCALE INDUSTRIES AND AGRO RURAL INDUSTRIES be pleased to state:

(a) whether Government have not paid up its annual one third working capital pledged to Khadi Institutions all over the country;

(b) if so, the reasons therefor; and

(c) the action taken to save the Khadi Industry from the massive lay off?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) and (b) The Government does not provide working

capital to industries in the KVI Sector. The Government, however, provides funds to the Khadi and Village Industries Commission (KVIC) for the promotion and development of such industries. Khadi institutions are expected to take the working capital from banks directly.

(c) The Government of India announced a package for the promotion of Khadi and Village Industries sector on 14th May, 2001. The main features of this package comprises a Rebate Policy for five years, options of Rebate and Market Development Assistance (MDA), Insurance cover to Khadi artisans, emphasis on improvement of Khadi products, creation of packaging and design facilities measures to promote marketing, brand building, cluster development and focus on core areas.

Promotion of KVIC

3499. DR. DASARI NARAYANA RAO: Will the Minister of SMALL INDUSTRIES AND AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether it is a fact that KVIC provides loan to the institutions, cooperative societies and individuals for promoting Khadi and Village Industries;

(b) if so, the details thereof;

(c) the number of the institutions, cooperative societies and individuals to whom KVIC has provided loans for the purpose in Andhra Pradesh during the last three years, year-wise; and

(d) the results achieved therefrom?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO AND RURAL INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) and (b) No, Sir. The Khadi and Village Industries Commission (KVIC) has not been conceived as a financial institution. The institutions are encouraged to take loans from the Banks. However, the KVIC is giving some loans, which are progressively decreasing, to fulfil old commitments.

(c) and (d) The information with respect to number of institutions, cooperative societies, individuals, State-wise, to whom loans were given, is not maintained centrally. However, the details of loans sanctioned by the KVIC to khadi and village industries in different States including State of Andhra Pradesh during the last three years is given in statement.